

**MAINSPRINGS PREGNANCY AND FAMILY SUPPORT ASSOCIATION  
(FORMERLY CALGARY PREGNANCY CARE CENTRE ASSOCIATION)**

**Financial Statements**

**Year Ended June 30, 2024**

**Index to Financial Statements**  
**Year Ended June 30, 2024**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Mainsprings Pregnancy and Family Support Association (Formerly Calgary Pregnancy Care Centre Association)

### *Qualified Opinion*

We have audited the financial statements of Mainsprings Pregnancy and Family Support Association (Formerly Calgary Pregnancy Care Centre Association) (the "organization"), which comprise the statement of financial position as at June 30, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at June 30, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *Basis for Qualified Opinion*

In common with many charitable organizations, the organization derives revenue from donations and fundraising activities the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization, therefore we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses and cashflows from operations for the year ended June 30, 2024, current assets as at June 30, 2024 and net assets as at July 1, 2024 and June 30, 2024. Our audit opinion on the financial statements for the year ended June 30, 2023 was modified accordingly because of the possible effects of this limitation of scope. Consequently we were unable to determine whether any adjustments to these amounts were necessary.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

(continues)

Independent Auditor's Report to the Members of Mainsprings Pregnancy and Family Support Association  
(Formerly Calgary Pregnancy Care Centre Association) *(continued)*

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Calgary, Alberta  
September 16, 2024

  
CHARTERED PROFESSIONAL ACCOUNTANTS



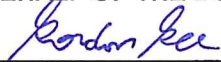

**MAINSPRINGS PREGNANCY AND FAMILY SUPPORT ASSOCIATION  
(FORMERLY CALGARY PREGNANCY CARE CENTRE ASSOCIATION)**

**Statement of Financial Position  
June 30, 2024**

	2024	2023
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalent	\$ 432,414	\$ 558,553
Investments (Note 3)	25,445	64,361
Accounts receivable	7,813	15,923
Inventory	1,388	1,261
Goods and services tax recoverable	3,799	3,235
Prepaid expenses	9,156	9,451
	480,015	652,784
INVESTMENTS (Note 3)	482,928	380,788
PROPERTY AND EQUIPMENT (Note 4)	13,368	8,456
	\$ 976,311	\$ 1,042,028
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 53,316	\$ 42,314
Deferred contributions - Operations (Note 5)	31,615	91,453
	84,931	133,767
DEFERRED CAPITAL CONTRIBUTIONS (Note 6)	506	4,570
	85,437	138,337
<b>NET ASSETS</b>		
Unrestricted net assets	228,012	229,814
Internally restricted (Note 7)	650,000	669,991
Internally restricted - property and equipment	12,862	3,886
	890,874	903,691
	\$ 976,311	\$ 1,042,028

LEASE COMMITMENTS (Note 10)

**ON BEHALF OF THE BOARD**

  
 \_\_\_\_\_ Director Board Chair  
  
 \_\_\_\_\_ Director  
 Ham Friesen, Treasurer

**MAINSPRINGS PREGNANCY AND FAMILY SUPPORT ASSOCIATION  
(FORMERLY CALGARY PREGNANCY CARE CENTRE ASSOCIATION)**

**Statement of Operations  
Year Ended June 30, 2024**

	2024	2023
<b>REVENUES</b>		
Donations	\$ 1,223,449	\$ 1,016,623
Fundraising	235,274	417,307
Investment income	23,515	12,019
Deferred capital contribution	-	312
Other deferred contributions	86,680	35,153
Other income	1,258	206
	<u>1,570,176</u>	<u>1,481,620</u>
<b>EXPENSES</b>		
Salaries & benefits	1,187,153	1,063,980
Administrative	87,118	87,471
Client services	80,169	60,639
Promotion & fundraising	81,744	65,507
Volunteer support	3,549	4,026
Facility	135,379	135,385
Amortization	7,881	25,371
	<u>1,582,993</u>	<u>1,442,379</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (12,817)</b>	<b>\$ 39,241</b>

**MAINSPRINGS PREGNANCY AND FAMILY SUPPORT ASSOCIATION  
(FORMERLY CALGARY PREGNANCY CARE CENTRE ASSOCIATION)**

**Statement of Changes in Net Assets**

**Year Ended June 30, 2024**

	Unrestricted Net Assets	Internally Restricted	<b>2024</b>	2023
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 229,814	\$ 673,877	\$ <b>903,691</b>	\$ 864,450
Deficiency of revenues over expenses	(12,817)	-	<b>(12,817)</b>	39,241
Amortization	7,881	(7,881)	-	-
Purchase of equipment	(12,793)	12,793	-	-
Rebranding	19,991	(19,991)	-	-
Interfund transfer	(4,064)	4,064	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 228,012</b>	<b>\$ 662,862</b>	<b>\$ 890,874</b>	<b>\$ 903,691</b>

**MAINSPRINGS PREGNANCY AND FAMILY SUPPORT ASSOCIATION  
(FORMERLY CALGARY PREGNANCY CARE CENTRE ASSOCIATION)**

**Statement of Cash Flows  
Year Ended June 30, 2024**

	2024	2023
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ (12,817)	\$ 39,241
Item not affecting cash:		
Amortization	7,881	25,371
	<u>(4,936)</u>	<u>64,612</u>
Changes in non-cash working capital:		
Accounts receivable	8,110	(15,923)
Inventory	(127)	44
Accounts payable and accrued liabilities	11,003	(30,248)
Deferred Capital Contributions	(4,064)	4,258
Prepaid expenses	295	202
Goods and services tax payable	(564)	166
Employee deductions payable	-	(20,160)
Deferred contributions - Operations	(59,838)	62,669
	<u>(45,185)</u>	<u>1,008</u>
Cash flow from (used by) operating activities	<u>(50,121)</u>	<u>65,620</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(12,793)	-
Net Investment purchases	(63,225)	(63,923)
Cash flow used by investing activities	<u>(76,018)</u>	<u>(63,923)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(126,139)</b>	<b>1,697</b>
Cash and cash equivalents - beginning of year	<u>558,553</u>	<u>556,856</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 432,414</b>	<b>\$ 558,553</b>
<b>CASH AND CASH EQUIVALENTS CONSIST OF:</b>		
Cash in operating accounts	\$ 363,107	\$ 490,676
Savings accounts	69,307	67,877
	<u>\$ 432,414</u>	<u>\$ 558,553</u>



**MAINSPRINGS PREGNANCY AND FAMILY SUPPORT ASSOCIATION  
(FORMERLY CALGARY PREGNANCY CARE CENTRE ASSOCIATION)**

**Notes to Financial Statements**

**Year Ended June 30, 2024**

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**1. PURPOSE OF THE ORGANIZATION**

Mainsprings Pregnancy and Family Support Association (Formerly Calgary Pregnancy Care Centre Association) (the "Association") is a not-for-profit organization incorporated under the Societies Act of Alberta on July 24, 1984. The Association operates to provide on-going practical, emotional and educational support for people facing obstacles related to pregnancy and parenting, achieving positive outcomes for individuals and families. As a registered charity the Association is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The continued operations of the Association are dependent upon the ongoing support of concerned individuals and organizations.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized cost include cash and cash equivalents, current and long-term investments (see Note 3, certain other long-term investments are measured at fair value) and accounts receivable.

Mutual funds are measured at fair value.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Cash and cash equivalents

Cash includes cash and cash equivalents which consist of deposits in Canadian financial institutions and investments with original maturities of less than ninety days.

Inventory

Inventory, which consists of book inventory, is measured at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Property and equipment

Property and equipment purchases greater than \$2,500 are recorded at cost. Contributed property and equipment are recorded at fair value at the date of contribution. Property and equipment is amortized over its estimated useful life at the following rates and methods:

Equipment	5 years	straight-line method
Computer equipment	3 years	straight-line method
Leasehold improvements	5-10 years	straight-line method

The organization regularly reviews its property and equipment to eliminate obsolete items.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

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**MAINSPRINGS PREGNANCY AND FAMILY SUPPORT ASSOCIATION  
(FORMERLY CALGARY PREGNANCY CARE CENTRE ASSOCIATION)**

**Notes to Financial Statements**

**Year Ended June 30, 2024**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Impairment of long lived assets

The organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Internally generated intangible assets

Costs related to internally generated intangible assets are expensed as incurred.

Revenue recognition

Mainsprings Pregnancy & Family Support Association (formerly Calgary Pregnancy Care Centre Association) follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Donations in-kind are recorded in the accounts at fair market values where such value can be reasonably estimated.

Contributed services and materials

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Contributions of materials are recognized in the financial statements at fair value at the date of contribution, when fair value can be reasonably estimated and when the materials are used in the normal course of operations, and would otherwise have been purchased (Note 8).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. Estimates include the valuation of inventory including management's estimate of obsolete inventory, amortization and impairment of property and equipment, accrued liabilities, and gifts in-kind.

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**MAINSPRINGS PREGNANCY AND FAMILY SUPPORT ASSOCIATION  
(FORMERLY CALGARY PREGNANCY CARE CENTRE ASSOCIATION)**

**Notes to Financial Statements**

**Year Ended June 30, 2024**

**3. INVESTMENTS**

	2024	2023
Mutual funds, measured at fair market value	\$ 337,775	\$ 277,920
Guaranteed Investment certificates (GIC), measured at amortized cost	170,598	167,229
Less current portion of GIC investments	(25,445)	(64,361)
	\$ 482,928	\$ 380,788

Guaranteed investment certificates have interest rates from 4.55%-4.95% (2023 - 2.0%-4.85%) and will mature between fiscal 2025 and 2026 (2023 and 2024).

**4. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Equipment	\$ 130,110	\$ 118,493	\$ 11,617	\$ 805
Computer equipment	89,660	88,464	1,196	2,562
Leasehold improvements	65,625	65,070	555	5,089
	\$ 285,395	\$ 272,027	\$ 13,368	\$ 8,456

**5. DEFERRED CONTRIBUTIONS RELATED TO OPERATIONS**

Deferred contributions related to operations represent unspent resources received which have been restricted by the contributors to be used to fund specific programs to be conducted in future years. Changes in the deferred contributions balance are as follows:

	Opening balance	Additions	Utilizations	Closing balance
Gamma Leading Training	\$ 20,161	\$ -	\$ 20,161	\$ -
Living in Colour	7,700	-	7,700	-
Summer Student program	-	20,881	20,881	-
Red Cross	63,592	-	31,977	31,615
	\$ 91,453	\$ 20,881	\$ 80,719	\$ 31,615

During the year, the Association received \$28,991 (2023 - \$Nil) from the Government of Canada as part of the summer jobs program.

**6. DEFERRED CAPITAL CONTRIBUTIONS**

Deferred capital contributions represent the unamortized portion of restricted contributions received for the purchase of capital assets.

	Opening balance	Additions	Utilizations	Closing balance
Rotary Club	\$ 4,570	\$ -	\$ 4,064	\$ 506

**MAINSPRINGS PREGNANCY AND FAMILY SUPPORT ASSOCIATION  
(FORMERLY CALGARY PREGNANCY CARE CENTRE ASSOCIATION)**

**Notes to Financial Statements**

**Year Ended June 30, 2024**

**7. INTERNALLY RESTRICTED FUNDS**

	2022	Contributions (utilization)	Transfer in (out)	2023
Operating Reserve (1)	\$ 650,000	\$ -	\$ -	\$ 650,000
Rebranding Reserve	19,991	(19,991)	-	-
	<u>\$ 669,991</u>	<u>\$ (19,991)</u>	<u>\$ -</u>	<u>\$ 650,000</u>

(1) The Board of Directors has established a policy to have an operating reserve of approximately six month of annual expenses.

**8. CONTRIBUTED MATERIALS**

During the year the Association received contributed materials valued at \$87,994 (2023 - \$20,415) which were recognized in revenues and expenses. Included in this are share securities that were valued at \$29,364 (2023 - \$15,142). Other contributed materials include baby and new mothers clothing items, gift cards and other household supplies.

**9. FUNDRAISING EXPENSES**

In accordance with the requirement of the Charitable Fund-raising Act and Regulation, the Association is required to disclose the following information:

Total expenses incurred on fundraising activities during the year was \$60,116 (2023 - \$46,078). Of this amount, remuneration paid to employees during the year whose principal duties involved fundraising was \$nil (2022 - \$nil).

**10. LEASE COMMITMENTS**

The organization has a long term lease with respect to its premises. The lease terms requires that the Association makes the following minimum lease payments.

2025	<u>\$ 37,089</u>
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**MAINSPRINGS PREGNANCY AND FAMILY SUPPORT ASSOCIATION  
(FORMERLY CALGARY PREGNANCY CARE CENTRE ASSOCIATION)**

**Notes to Financial Statements**

**Year Ended June 30, 2024**

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**11. FINANCIAL INSTRUMENTS**

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of June 30, 2024.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Centre has sufficient cash to discharge its liabilities.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its long term investments

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

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